

SECRET

DDI-3477-67

22 JUN 1967

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MEMORANDUM FOR: Deputy Director for Intelligence

SUBJECT : Extension of Statutory Fringe Benefits to
Certain Contract Employees

1. This memorandum reports a significant decision by the Civil Service Commission concerning new fringe benefits for certain contract employees.

2. Heretofore, employees hired on a contract or fee basis were not entitled to Civil Service Retirement, Federal Health Benefits, Federal Employees' Group Life Insurance and Unemployment Compensation Benefits. In an attempt to correct the inequities involved and to reduce management problems in the field of retirement which loomed larger year by year this office initiated an effort within the Agency and subsequently with the Bureau of Retirement and Insurance (BRI), Civil Service Commission, to extend these fringe benefits to U. S. citizen contract employees.

3. I am pleased to report to you that the Civil Service Commission has recently approved our request. In my opinion extension of these programs to contract employees is another step forward in improving our overall personnel management program.

4. Benefits will be included in contracts written on or after 1 July 1967 in accordance with our original Agency intent to cover all U. S. citizen career agents and U. S. citizen contract employees whose contract term exceeds one year. Some contract employees will continue to be excluded from coverage e.g. resident aliens, foreign nationals and intermittent (WAE) employees.

5. I am preparing a set of guidelines and instructions for use by Contract Personnel Division in working with your administrative officers. I ask that your administrative personnel be alerted to a call to attend a group meeting as an initial step in implementing these new contractual benefit programs.

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Director of Personnel

GROUP 1
Excluded from automatic
downgrading and

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